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February 13, 2007

WRITER'S DIRECT LINE
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351067-0102VIA ECF SYSTEMHonorable Douglas P. Woodlock
United States District Court
District of Massachusetts
John Joseph Moakley U.S. Courthouse
1 Courthouse Way
Boston, MA 02210Re: Anthony Mendes and Doris Mendes v. Cendant Mortgage
Civil Action No.: 05-11765

Dear Judge Woodlock:

During the February 7, 2007 hearing on Defendants' Motion for Summary Judgment, you requested that Defendant, PHH Mortgage f/k/a Cendant Mortgage, provide the Court with its current pre-approval letter. As you requested, this letter is attached. Please note that we have redacted certain personal information from this letter, such as the name and social security number of the borrower that received this letter. No substantive information was redacted.

Very truly yours,

/s/ Andrew Keith Goldstein

Andrew Keith Goldstein

Enclosure

BOSTON
BRUSSELS
CHICAGO
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LOS ANGELES
MADISON
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SILICON VALLEY
TALLAHASSEETAMPA
TOKYO
WASHINGTON, D.C.
WEST PALM BEACH

PHH Mortgage



Your PHH Mortgage Services Consultant:

Phone: (800) 446-0964, Ext.

Fax: (856) 917-9313

Email:

Hours: Mon.-Fri. 8:30 am-9:00 pm

Sat.-Sun. 8:30 am-5:00 pm

Eastern Time

February 12, 2007

Your personal reference number is 166055

Dear

Thank you for applying for a mortgage with PHH Mortgage Services.
I'm pleased to tell you that you are pre-qualified for a mortgage of \$84,053.

In order to complete your application, we need to verify the key details we discussed, including your closing funds, credit and financial status. For your convenience, I have listed these details on the attached pages as:

- ✓ Your responsibilities and an easy checklist of how to return the requested information
- ✓ Our responsibilities and when these services will occur.

Please review these items carefully and send us your required information as quickly as possible.

By returning this information, I will be able to complete the evaluation of your application. If it meets our requirements, I will provide you an approval letter for this mortgage and we can begin the steps necessary to close your loan.

We have summarized the terms of your mortgage below. It is important to note that the mortgage amount may vary based upon the information you provide to us and if interest rates change.

Thank you for entrusting us with your mortgage needs. I look forward to completing your application. Please contact me with any questions.

Sincerely,

Your PHH Mortgage Services Consultant

Estimated Market Value:	\$200,000
Mortgage amount:	\$84,053
Type / Term of mortgage:	30 yr FHA Fixed
Interest rate on 02/12/2007	5.810%
Your maximum rate of 5.96% expires on 03/29/2007	
Interest rate lock option:	Rate Protection

REDACTED

Easy Checklist:

The sooner you send this information, the faster we can assist you in closing your new mortgage.

- ✓ Gather the requested information as soon as you can.
- ✓ Fax the information to your mortgage consultant at the fax number found in the upper right hand corner of page 1.
- ✓ If you do not have access to a fax machine, please call your mortgage consultant at the number listed at the top right corner of page 1.
- ✓ Include on all documentation, your
 - name
 - phone number
 - personal reference number

Your personal reference number can be found at the top right corner of page 1.

Your Responsibilities:***These items are needed to complete your loan package:***

- ☐ In order to obtain a satisfactory 12 month rental reference, we will need the name and phone number of landlord.

These items need to be completed as soon as possible to close your loan:

- ☐ Please provide the declaration page for the homeowner's insurance policy for at least the mortgage amount or replacement value, whichever is less, no later than 5 days prior to closing.
- ☐ Homeowner's Insurance Policies that limit/exclude from coverage, perils such as windstorm, hurricane, hail damage, are not acceptable. If your policy excludes such coverage, a separate policy/endorsement that provides adequate coverage is required.

Our Responsibilities:***These items are needed to complete your loan package:***

- ☐ Mortgage Services to obtain evidence of clear CAIVRS , verifying no delinquent outstanding debts owed to the government.
- ☐ Mortgage Services to obtain LDP/GSA prior to closing

These items need to be completed as soon as possible to close your loan:

- ☐ We will notify you if the property is located in a flood zone. Flood insurance must be purchased in an amount equal to the lesser of: insurable value or max amount available under the National Flood Insurance Program (currently \$250,000).
- ☐ Confirm the Customer is the owner of record on Title Commitment or Appraisal, if applicable.
- ☐ Receipt of preliminary title commitment
- ☐ Copy of payoff statement is required from current mortgage lender.

Additional Information to Remember About Your Loan:***These items need to be completed as soon as possible to close your loan:***

- ☐ Any changes in your application may affect, but is not limited to, rate, points, maximum loan amount, and additional documentation requirements.
- ☐ All verification documents must be dated within 120 days of the closing date. For new construction, documents must be dated within 180 days of the closing date.

REDACTED

Additional Information to Remember About Your Loan:

These items are needed at your closing:

- ☐ All parties who sign the security instrument must also sign and date the Truth in Lending, and the Right of Rescission (if applicable).

The interest rate and points combination you select must not cause the APR or the points and fees to exceed the applicable federal, state or local high-cost threshold(s).

**STATE DISCLOSURE
AGREEMENT
CONCERNING NON-REFUNDABILITY OF
ADVANCE FEES**

In this agreement, "you" or "your" refers to the applicant and "we" or "us" refers to the lender:PHH Mortgage Services Advance fees refers to any charges associated with your application that will be paid prior to closing. Advance fees will only be collected to the extent permitted by state law and under the following conditions:

If you cancel your loan application :

No advance fees will be collected from you prior to closing unless you decide to cancel your loan application. If your loan application is cancelled by you prior to closing, a NON-REFUNDABLE fee of \$ 420.26 will be

- a) charged to the credit card(s) or other account that you provided,
- b) credited against the funds you presented to us in the form of a paper check or money order.

If you have applied for an FHA or VA loan, the lower of actual costs or (authorized cancellation fee) will be retained as permitted.

If your loan application is declined:

If your loan application is declined for any reason, a fee of \$350 or actual costs incurred , whichever is less, is NON-REFUNDABLE and will be retained by us to cover the costs associated with processing your loan application. The fee will be charged to

- a) the credit card or other account that you provided,
- b) credited against the funds you presented to us in the form of a paper check or money order. Any unused portion will be refunded.

If you have applied for an FHA or VA loan, the lower of actual costs or (authorized cancellation fee) will be retained as permitted.

If the credit card or other account information you have provided expires prior to the collection of the fee which you agree to pay, you agree to provide a valid card or account information so that the advance fee can be collected.

Your acknowledgement:

I/we acknowledge that I/we agree to this disclosure by signing below:

Applicant signature

Date

Applicant signature

Date

Applicant signature

Date

Applicant signature

Date

Provided by _____ on 02/12/2007

REDACTED

CAUTION

US Department of Housing
and Urban Development
Federal Housing Administration (FHA)



OMB Approval No: 2502-0538

For Your Protection: Get a Home Inspection

Why a Buyer Needs a Home Inspection

A home inspection gives the buyer more detailed information about the overall condition of the home prior to purchase. In a home inspection, a qualified inspector takes an in-depth, unbiased look at your potential new home to:

- ✓ Evaluate the physical condition; structure, construction, and mechanical systems;
- ✓ Identify items that need to be repaired or replaced; and
- ✓ Estimate the remaining useful life of the major systems, equipment, structure, and finishes.

Appraisals are Different from Home Inspections

An appraisal is different from a home inspection. Appraisals are for lenders; home inspections are for buyers. An appraisal is required to:

- ✓ Estimate the market value of a house;
- ✓ Make sure that the house meets FHA minimum property standards/requirements; and
- ✓ Make sure that the property is marketable.

FHA Does Not Guarantee the Value or Condition of your Potential New Home

If you find problems with your new home after closing, FHA can not give or lend you money for repairs, and FHA can not buy the home back from you. That is why it is so important for you, the buyer, to get an independent home inspection. Ask a qualified home inspector to inspect your potential new home and give you the information you need to make a wise decision.

Radon Gas Testing

The United States Environmental Protection Agency and the Surgeon General of the United States have recommended that all houses should be tested for radon. For more information on radon testing, call the toll-free National Radon Information Line at 1-800-SOS-Radon or 1-800-767-7236. As with a home inspection, if you decide to test for radon, you may do so before signing your contract, or you may do so after signing the contract as long as your contract states the sale of the home depends on your satisfaction with the results of the radon test.

Be an Informed Buyer

It is your responsibility to be an informed buyer. Be sure that what you buy is satisfactory in every respect. You have the right to carefully examine your potential new home with a qualified home inspector. You may arrange to do so before signing your contract, or may do so after signing the contract as long as your contract states that the sale of the home depends on the inspection.



HUD-92564-CN (6/06)



CAUTION